

STATE OF NEW YORK

STATE TAX COMMISSION

In the Matter of the Petition
of
Western Electric Co., Inc.

:

:

: AFFIDAVIT OF MAILING

for Redetermination of a Deficiency or a Revision :
of a Determination or a Refund of Corporation :
Franchise Tax under Article 9A of the Tax Law for :
the Years 1967-1973.

State of New York
County of Albany

Jay Vredenburg, being duly sworn, deposes and says that he is an employee of the Department of Taxation and Finance, over 18 years of age, and that on the 6th day of November, 1981, he served the within notice of Decision by certified mail upon Western Electric Co., Inc., the petitioner in the within proceeding, by enclosing a true copy thereof in a securely sealed postpaid wrapper addressed as follows:

Western Electric Co., Inc.
222 Broadway
New York, NY 10038

and by depositing same enclosed in a postpaid properly addressed wrapper in a (post office or official depository) under the exclusive care and custody of the United States Postal Service within the State of New York.

That deponent further says that the said addressee is the petitioner herein and that the address set forth on said wrapper is the last known address of the petitioner.

Sworn to before me this
6th day of November, 1981.

Arnie A. Hagelund

J. Vredenburg

STATE OF NEW YORK
STATE TAX COMMISSION

In the Matter of the Petition :
of :
Western Electric Co., Inc. :

: AFFIDAVIT OF MAILING

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Franchise Tax under Article 9A of the Tax Law for :
the Years 1967-1973 :

State of New York
County of Albany

Jay Vredenburg, being duly sworn, deposes and says that he is an employee of the Department of Taxation and Finance, over 18 years of age, and that on the 6th day of November, 1981, he served the within notice of Decision by certified mail upon Michael J. Guerriero the representative of the petitioner in the within proceeding, by enclosing a true copy thereof in a securely sealed postpaid wrapper addressed as follows:

Michael J. Guerriero
Western Electric
222 Broadway
New York, NY 10038

and by depositing same enclosed in a postpaid properly addressed wrapper in a (post office or official depository) under the exclusive care and custody of the United States Postal Service within the State of New York.

That deponent further says that the said addressee is the representative of the petitioner herein and that the address set forth on said wrapper is the last known address of the representative of the petitioner.

Sworn to before me this
6th day of November, 1981.

Dani A. Hagelund

J. Vredenburg

STATE OF NEW YORK
STATE TAX COMMISSION
ALBANY, NEW YORK 12227

November 6, 1981

Western Electric Co., Inc.
222 Broadway
New York, NY 10038

Gentlemen:

Please take notice of the Decision of the State Tax Commission enclosed herewith.

You have now exhausted your right of review at the administrative level. Pursuant to section(s) 1090 of the Tax Law, any proceeding in court to review an adverse decision by the State Tax Commission can only be instituted under Article 78 of the Civil Practice Laws and Rules, and must be commenced in the Supreme Court of the State of New York, Albany County, within 4 months from the date of this notice.

Inquiries concerning the computation of tax due or refund allowed in accordance with this decision may be addressed to:

NYS Dept. Taxation and Finance
Deputy Commissioner and Counsel
Albany, New York 12227
Phone # (518) 457-6240

Very truly yours,

STATE TAX COMMISSION

cc: Petitioner's Representative
Michael J. Guerriero
Western Electric
222 Broadway
New York, NY 10038
Taxing Bureau's Representative

STATE OF NEW YORK

STATE TAX COMMISSION

In the Matter of the Petition
of
WESTERN ELECTRIC CO., INC.
for Redetermination of a Deficiency or for
Refund of Franchise Tax on Business Corpora-
tions under Article 9-A of the Tax Law for
the Years 1967 through 1973.

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:
:
DECISION
:
:
:

Petitioner, Western Electric Co., Inc., 222 Broadway, New York, New York 10038, filed a petition for redetermination of a deficiency or for refund of franchise tax on business corporations under Article 9-A of the Tax Law for the years 1967 through 1973 (File Nos. 17798, 24188 and 24553).

A formal hearing was commenced before Doris Steinhardt, Hearing Officer, at the offices of the State Tax Commission, Two World Trade Center, New York, New York, on December 8, 1980 at 2:45 P.M. and continued to conclusion on January 19, 1981 at 1:30 P.M. Petitioner appeared by Michael J. Guerriero, Esq. The Audit Division appeared by Ralph J. Vecchio, Esq. (Samuel Freund, Esq. of counsel).

ISSUES

I. Whether the Audit Division properly disallowed investment tax credits claimed by petitioner upon the acquisition of certain buildings, land improvements, small tools, and furniture and fixtures for its College Point facility in the years 1971 and 1972.

II. Whether the Audit Division properly disallowed investment tax credits claimed by petitioner upon the acquisition of certain land improvements, furni-

ture and fixtures, and transportation equipment for its Buffalo Works facility in the years 1969 through 1972.

III. Whether the Audit Division properly disallowed investment tax credits claimed by petitioner upon the acquisition of certain land improvements, furniture and fixtures, and transportation equipment for its subsidiary Nassau Recycle Corporation in the years 1969 through 1972.

IV. Whether the Audit Division's failure to grant petitioner's claim for refund, which sought repayment of \$198,007.88 of investment tax credits for 1973 (the sum of the credits claimed by petitioner with respect to the College Point facility for 1971 and 1972), was improper.

FINDINGS OF FACT

1. Subsequent to a field audit, the Audit Division issued to petitioner Western Electric Co., Inc. ("Western") notices of deficiency, under date July 15, 1976, asserting additional franchise taxes due under Article 9-A of the Tax Law for the years 1967 through 1972, scheduled as follows:

<u>YEAR</u>	<u>TAX</u>	<u>INTEREST</u>	<u>TOTAL</u>
1967	\$ 21,094.34	\$ 10,125.28	\$ 31,219.62
1968	37,768.78	15,862.89	53,631.67
1969	51,615.65	19,613.95	71,229.60
1970	38,951.64	12,464.52	51,416.16
1971	44,786.43	11,644.47	56,430.90
1972	240,726.69	60,181.67	300,908.36
	<u>\$434,943.53</u>	<u>\$129,892.78</u>	<u>\$564,836.31</u>

On or about October 8, 1976, Western remitted to the State Tax Commission \$86,489.61 to satisfy the deficiencies asserted for 1967 and 1968 and has conceded its liability for said years.

2. On August 15, 1977, Western filed a Claim for Credit or Refund of Corporation Tax Paid, seeking refund in the amount of \$198,007.88 for the year 1973. The amount was equal to the investment tax credits claimed by petitioner for 1971 and 1972 with respect to the College Point facility. Western filed

the claim in order to protect its right to the credits if they had been claimed in the wrong year on the franchise tax reports as originally filed. After expiration of six months from the filing of the claim for refund, during which period no action was taken thereon by the Audit Division, Western filed a petition for refund.

3. For the years at issue, Western and its wholly-owned subsidiary Nassau Recycle Corporation ("Nassau")¹ filed franchise tax reports on a combined basis.

4. Western established and utilized the following mass asset categories for accounting purposes, including computation of the investment tax credits: buildings, land improvements, machinery, small tools, furniture and fixtures, and transportation equipment.

(a) Buildings. As stated in the accounting instruction issued by Western to its personnel, the buildings account included:

"structures which are used as factories, warehouses, offices, garages, scale houses, storage sheds and watchmen's shelters, including the permanent fixtures and equipment installed as an integral part of the building or housed in a separate service building or located outside the building to provide heat, light, power, water, fire protection, compressed air, gasses, etc."

The useful life of buildings was set at forty-five years, and investment tax credits were claimed with respect thereto in the year in which employees actually commenced work in the building.

(b) Land improvements. According to the Western accounting instruction quoted above, this account encompassed:

¹ Prior to 1974, Nassau was known as Nassau Smelting & Refining Company, Inc.

"improvements to provide access, transportation, protection and other facilities within the grounds and on the property of others which have been provided by the Company for its own benefit (underpasses, drainage, sewers, paved surfaces, bridges, wharves, fences, walls, landscaping, shrubbery, etc.)."

The useful life of these assets was established as twenty years, and investment tax credit was claimed on the franchise tax report for the year in which the improvement was completed.

(c) Machinery. Credit with respect to machinery was claimed by petitioner in the year in which the particular asset was placed into service; useful life is fifteen years.

(d) Small tools. Small tools are auxiliary devices operated separately or in conjunction with machinery and include cutting, forming, measuring and bending implements. Useful life is four years. Investment tax credit was claimed upon completion or acquisition of the tool since it was immediately serviceable.

(e) Furniture and fixtures. Assets contained in this classification have a useful life of ten years and credit was claimed with regard thereto in the year in which the asset was completed. Excerpts from Western's accounting instruction, "Representative List of Furniture and Fixtures (Other Than Computers)," are attached to this decision as Appendix A.

(f) Transportation equipment. The instruction quoted in subparagraphs (a) and (b), supra, provided that this classification included:

"automotive vehicles (including accessories) and trailers designed for roadway, rail, water and air hauling of freight, transportation of passengers or fire fighting purposes."

Such equipment has a useful life of four years or more. Western claimed investment tax credit when the equipment was placed in use.

5. The amounts of investment tax credit allowed or disallowed by the Audit Division, with respect to asset category and facility, may be summarized as follows:

	BUFFALO		COLLEGE POINT		NASSAU	
	Allowed	Disallowed	Allowed	Disallowed	Allowed	Disallowed
Buildings	\$ 24,947	\$ 1,090*	-	\$175,762	\$ 5,716	-
Land improvements	-	1,768	-	8,301	-	\$2,300
Machinery	76,760	2,989*	-	-	17,718	-
Small tools	41,185	-	-	367	286	-
Furniture & Fixtures	-	29,407	-	13,578	-	6,650
Transportation Equipment	-	614	-	-	-	328
	<u>\$105,891</u>	<u>\$35,868</u>	<u>0</u>	<u>\$198,008</u>	<u>\$23,720</u>	<u>\$9,278</u>

*The disallowance related to in-process property and is not contested by Western.

6. During 1971 and 1972 Western acquired certain plant assets for its "College Point" facility (the New York Communications Products Center) and claimed investment tax credits thereon. The relevant mass asset categories and amounts of credit allowed and disallowed by the Audit Division are shown in Finding of Fact 5. Construction of the facility was commenced in 1970, the building was occupied in 1971, and construction was completed in 1972. From 1971 through 1973, all employees previously assigned to and machinery situated at Western's Westchester Service Center were transferred to the College Point location.

The College Point facility is a three-story structure which contains 548,000 square feet of floorspace and is located on a 24.1 acre parcel in Whitestone, Queens. (Said acreage includes an airport easement which totals 5.0 acres.)

The operations conducted on each floor of the facility in 1972 and the square footage allocated to each operation were as follows²:

(a) Upper floor.

<u>AREA</u>	<u>FLOORSPACE</u> (sq.ft.)	<u>ACTIVITIES/FUNCTIONS</u>
Teletype	54,000	assembly of teletype equipment
Switchboards	47,000	switchboard equipping, customizing, conversion and reconditioning
New products	10,000	manufacture of products unique to the New York Telephone Company (e.g., mounting plates)
Cable forming	3,000	manufacture of cable specialized to the particular equipment undergoing conversion or equipping
Electronics	22,000	reconditioning and repair of test sets, data sets, circuit packs, artificial larynxes
General office ³		accounting, stock maintenance, purchasing
Engineering ³		planning and layout of facilities and processes
Private offices ³		offices of the production manager, administrative services manager, customer service manager, facility manager
Production control ³		programming the shop, preparation of realization reports
Finishing	7,000	
Finishing preparation	2,700	
Stock room	4,800	
Drop area	4,500	
Training & conference	1,300	
Toilets, lockers	9,000	

(b) Middle floor. Nearly the entire middle floor was dedicated to the reconditioning of telephone sets and related equipment. A set arrived in the facility on the lower floor; the handset and housing were removed and the remainder of the set placed upon a progressive repair conveyor. On the middle floor, each

² Summarized from the floor plans admitted into evidence and testimony with regard thereto.

³ No square footage indicated on floorplan.

component was scrutinized and tested; if found defective, the component was removed and replaced by a new or reconditioned one. Removed parts were sent to sub-assembly sections for individual reconditioning and repair. (The removed components were rarely, if ever, re-installed in the set from which they came.) After reconditioning, testing and inspection, the set was the equivalent of new. It satisfied the same standards and tolerances as were established for new sets. By the close of 1972, College Point was reconditioning approximately 40,000 sets weekly.

<u>AREA</u>	<u>FLOORSPACE</u> (sq.ft.)	<u>ACTIVITIES/FUNCTIONS</u>
Telephone set repairs	31,350	assembly of rotary dial sets
Telephone set repairs	20,600	assembly of "Touch-tone" and "Princess" sets
Antique sets	1,900	assembly of antique sets
Miscellaneous telephone sets	7,000	assembly of specialized sets (e.g., "Trim-line")
Central office apparatus & minor material plan repair	20,650	reconditioning of ringers, dials
Quality assurance	1,100	
Spray room	1,350	
Storage	12,000	delivery of telephone sets from the lower level via pallet lift
Training & conference	2,500	
Toilets, lockers	7,500	
Equipment		
Shop maintenance	1,400	
Stock room	2,500	
Cafeteria ⁴		
Telco ⁴		
High bay		New York Telephone Company space storage of components, packing material (2 stories high)

(c) Lower floor.

<u>AREA</u>	<u>FLOORSPACE</u> (sq.ft.)	<u>ACTIVITIES/FUNCTIONS</u>
High bay	38,600	storage of components, packing material
Truck docks	21,450	
Returns	15,000	receipt and documentation of sets from New York Telephone Company

⁴ No square footage indicated on floorplan.

Telephone set dismantle	9,200	handset and housing removal
Handset assembly	4,200	
Housing & handle recovery	12,700	polishing, buffing
Spray room	6,400	electrostatic spraying of cords on
		multi-connector telephone sets
Booth repair & assembly	14,000	reconditioning of indoor wooden booths;
		assembly of outdoor aluminum booths
Classify & dismantle junk	15,600	recovery of useful components from junked
		sets
Tool & part storage	2,100	
Coin mechanism repair	6,900	coin telephone mechanisms disassembled,
		tested, reconditioned, reassembled
Cleaning	3,500	
Unrepaired booth storage	6,300	
Repaired booth storage	2,200	
Maintenance & metal working	4,900	
Dry ovens	1,100	
Boiler room	5,400	
Shipping & receiving	7,000	
Training & conference	600	
Toilets, lockers	3,800	
Miscellaneous ⁵		medical, personnel, information trans-
		mission equipment, equipment room,
		meeting room, office, lobby, unassigned
		space

Training and conference areas on the three floors consumed 4,000 square feet; offices, 68,000 square feet; toilets and locker rooms, 20,300 square feet; cafeteria, medical area, lobby and other, 35,900 square feet.

7. The Audit Division's disallowance of investment tax credits claimed by petitioner in 1971 and 1972 with respect to the College Point facility had two bases: that the facility was not in operation in 1972, since petitioner had not claimed investment tax credits on the acquisition of machinery and equipment; that even if the facility was operating, the testing and repair work performed did not qualify as "manufacturing" for purposes of the credit.

⁵ No square footage indicated on floorplan.

8. During the years 1969 through 1972, Western acquired certain plant assets for its subsidiary Nassau and claimed investment tax credits thereon. The relevant mass asset categories and amounts of credit allowed and disallowed by the Audit Division are shown in Finding of Fact 5. The Nassau facility, located in Tottenville, Staten Island, consists of six buildings, one housing offices and the remainder used in operations. During the years in question, Nassau received scrap, consisting of communications cable and precious metal contacts, from the Bell System (American Telephone and Telegraph Company and its various telephone subsidiaries), segregated the scrap into components, and by passing the metals through acid baths and furnaces, refined them back to 99.9 percent purity. Western purchased the end products; if more was refined than Western could utilize, the excess was sold to outside parties.

With specific regard to Nassau, the mass asset categories previously described included the following:

(a) Land improvements - parking lots, fencing, landscaping and outside lighting.

(b) Furniture and fixtures - forklift trucks used to lift scrap from trucks and railroad cars, scoopers for smaller scrap, and grapplers; office equipment used by shop clerks, shop supervisors and managers.

(c) Transportation equipment - cars, trucks and trailers to transport materials and personnel within the plant.

9. During the years 1969 through 1972, Western acquired certain plant assets for its Buffalo Works facility situated in Tonawanda, New York. The relevant mass asset categories and amounts of credit allowed and disallowed by the Audit Division are shown in Finding of Fact 5. During the years in question, the Buffalo Works was engaged in the production of small cable

products, wire, station cords and connector cables. The cable and wire were used in the interconnecting of telephone switchboards and switching equipment, while connector cables provided interconnection between equipment such as call directors and switchboards. The station cords were those that connect the handset to the base of the telephone and the base to the wall socket.

10. The Audit Division disallowed the credits claimed by petitioner as to land improvements at the Nassau and Buffalo Works plants for the reason that they "do not directly contribute to the manufacturing process"; the credits claimed on the transportation equipment at the named facilities because the assets were "not engaged in manufacturing"; and the credits claimed on furniture and fixtures at the two facilities because "the taxpayer could supply no breakdown of equipment...to enable the examiner to calculate which items are entitled to Investment Tax Credit".

CONCLUSIONS OF LAW

A. That section 210.12 of the Tax Law makes available to the corporate taxpayer an investment tax credit with respect to tangible personal property and other tangible property, including buildings and structural components of buildings, which are depreciable pursuant to section 167 of the Internal Revenue Code, have a useful life of four years or longer, are acquired by purchase as defined in section 179(d) of the Code, have a situs in New York and are principally used by the taxpayer in the production of goods by (inter alia) manufacturing, processing, assembling or refining.

Paragraph (b) of said subdivision defines property used in the production of goods to include certain repair and service equipment and storage facilities:

"Property used in the production of goods shall include machinery, equipment or other tangible property which is principally used in

the repair and service of other machinery, equipment or other tangible property used principally in the production of goods and shall include all facilities used in the production operation, including storage of material to be used in production and of the products that are produced."

Said paragraph also furnishes a definition of manufacturing for purposes of the credit.

"For purposes of this paragraph, manufacturing shall mean the process of working raw materials into wares suitable for use or which gives new shapes, new quality or new combinations to matter which already has gone through some artificial process by the use of machinery, tools, appliances and other similar equipment."

B. That the College Point facility was in operation in 1971 and 1972.

Although petitioner claimed no investment tax credits upon the acquisition of machinery for said facility in 1971 and 1972, it does not necessarily follow that the facility was inoperative. The testimony revealed that construction of the facility was completed in 1972, that employees and used machinery were transferred to College Point from Western's Westchester plant during the period 1971 through 1973, and that by the close of 1972, College Point was disassembling, reconditioning and reassembling approximately 40,000 telephone sets per week.

C. That in deciding whether taxpayers' activities of rebuilding or reconditioning certain automotive parts constituted manufacturing so as to be subject to the Federal manufacturers excise tax,⁶ a number of Federal cases gave particular consideration to the extensiveness of the activities performed

⁶ Internal Revenue Code Section 4061(b). In 1964, rebuilt parts were specifically exempted from the excise tax imposed under said subdivision. Section 4063(c).

upon the articles, and to whether the end products were equivalent in usefulness and treated as freshly and newly produced articles. See, e.g., Hackendorf v. United States, 243 F.2d 760 (10th Cir. 1957), cert. denied, 355 U.S. 826 (1957); United States v. J. Leslie Morris Co., 124 F. 2d 371 (9th Cir. 1941); United States v. Armature Exchange, Inc., 116 F. 2d 969 (9th Cir. 1941), cert. denied, 313 U.S. 573 (1941); Clawson & Bals v. Harrison, 108 F. 2d 991 (7th Cir. 1939), cert. denied, 309 U.S. 685 (1940); Niagara Motors Corp. v. McGowan, 45 F. Supp. 346 (W.D.N.Y. 1942). See generally Annot., 17 A.L.R. 3d 7 (1968). It is essential to such a determination to distinguish between production and mere repair. The court in J. Leslie Morris Co. observed:

"[T]he question whether the process is essentially one of production or merely of repair is to be resolved by an over-all view of taxpayer's activities, beginning with its acquisition of discarded parts and ending when a useful article of commerce emerges...". Id. at 372.

Giving consideration to the factors discussed above and to the language of section 210.12(b) of the Tax Law, it may be concluded that the extensive activities performed by petitioner at the College Point facility upon sets received from the Bell System qualified as manufacturing for purposes of the investment tax credit. The sets were clearly given new quality: they satisfied the same standards established for new sets and were offered in the marketplace as new articles. Petitioner's activities went beyond mere repair: the set was dismantled; all defective components were removed, replaced and reconditioned; and the set was reassembled with some of its original parts, some brand-new parts and some reconditioned parts.

Therefore, insofar as the assets in the building and small tools accounts were principally used by petitioner in manufacturing and otherwise satisfied the criteria enumerated in the statute, the Audit Division improperly

disallowed the investment tax credits claimed by petitioner upon the acquisition of such assets.

D. That the investment tax credits claimed by petitioner for the acquisition of land improvements and furniture and fixtures at the College Point facility; and for the acquisition of land improvements, furniture and fixtures and transportation equipment at the Buffalo Works and Nassau locations were properly disallowed by the Audit Division. Certain of the assets encompassed in the named categories may have been principally utilized by Western in the production of goods; but these same categories embraced assets clearly ineligible for the credit (e.g., underpasses, athletic equipment, automobiles for transportation of administrative personnel). Petitioner has failed to sustain the burden of proof imposed by subdivision (e) of section 1089 to demonstrate that each of the assets in the named categories was principally used in qualifying activities. See Matter of Menn-Stan Corp., State Tax Commission, January 11, 1980.

E. That in view of the foregoing, it is unnecessary to pass upon the fourth issue raised.

F. That the petition of Western Electric Co., Inc. is granted to the extent indicated in Conclusion of Law "C"; that the notices of deficiency issued July 15, 1976 are to be modified accordingly; and that except as so modified, the deficiencies are in all other respects sustained.

DATED: Albany, New York

NOV 06 1981

STATE TAX COMMISSION


PRESIDENT


COMMISSIONER


COMMISSIONER

APPENDIX A

REPRESENTATIVE LIST OF FURNITURE AND FIXTURES (OTHER THAN COMPUTERS)

1. OFFICE FURNITURE, FIXTURES AND EQUIPMENT

1.1 Furniture

- Blackboards
- Bookcases
- Cabinets, file, stationery or storage (other than small, readily portable card cabinets or boxes normally used on desks or tables)
- Chairs
- Desks
- Filing units, including metal transfer cases
- Floor coverings (rugs and rug pads)
- Racks (books, office filing, collating tabulating card, mail & misc. ticket sorting)
- Safes
- Safe cabinets
- Settees
- Shelving (office)
- Tables (incl. all reference tables)
- Time recorder card racks
- Time recorder pedestals
- Trunks; paymaster, mail, etc.
- Valet (clothes rack)
- Visible record systems
- Wardrobes

1.2 Office Appliances (including necessary wiring, fixtures, etc., from permanent electrical system)

- Air conditioning (portable)
- Closed circuit T.V. for security
- Computer room facilities such as, raised or floating floor; power feeders from main service to the computer; standby equipment for the computer room, special air-conditioning for the computer room including all controls and air handling equipment directly serving such rooms
- Copy holders (floor models only)
- Easels and telescopic display stands (metal)
- Information Retrieval System
- Paging devices and equipment for restricted areas
- Plug boards for mechanical compiling equipment
- Radio
- Scopemobile
- Staplers, electric
- Stencil reading devices
- Television set

1.3 Special Furniture and Appliances (those which are peculiar to or suitable for use only in conference rooms, hospitals, restaurants, rest, recreation and reception areas, unless otherwise noted)

Ambulance cots (include those used in shop & office)
Benches
Bookcases (special)
Cabinet (special, including white enameled first aid cabinets in shops)
Cashier stands
Chairs (special)
Clocks (special)
Couches
Counters
Drapes
Dressers
Floor coverings (special)
Lamps (table & floor)
Lockers (hospital)
Medical apparatus (except x-ray & cardiograph machines)
Mirrors
Pianos
Refrigerators (portable)
Settees (special)
Show cases
Stretchers (in shop or hospital)
Tables (special)
Trucks (special serving, in restaurant)
Vision testing instruments

1.4 Drafting Equipment

Drafting boards, chairs, machines and tables
Filing units, drawing and print
Micro-photographic machines for reproducing tracings and drawings only
(Recordak, Dexograph, etc.)
Racks, drawing and print

1.5 Shop Fixtures

Annunciators and wiring (departmental)
Athletic equipment including parallel bars, chest pulling weights, wire baskets, wire basket storage racks, dolly for handling basket ball stops, semi-metal partition, public address system, removable back-stops, bleachers, phonographs, basket ball straps, goals, mats, wall pads, platform step ladders, vaulting bucks, vaulting horses, striking bag, platform massage table, etc.
Awnings
Battery charging apparatus for recharging storage batteries for use with automotive facilities, electric locomotives, electric crane, lift, trucks, etc.
Benches (except hospital and recreation area benches) and bench drawers
Benches, park (excludes those used in locker areas for seating)

Bins

Boards, bulletin cable forming, and sign (excludes rubbing boards and small desk-top or cabinet-top bulletin stands)

Boxes, battery (excludes annealing boxes chargeable to expense)

Cabinets and cupboards (incl. janitor, tool and material lockers, cabinets and safes for storing precious materials in shop; excludes filing and safe cabinets classified as office equipment)

Call bells

Carts and hand trucks

Chairs, test

Conduit, wiring and piping, departmental air and gas, from permanent outlets to benches and racks, including equipment on such lines as gas regulators, transformers, rectifiers, switches, receptacles and outlets

Coolers, water

Conveyors - Manual

Desks, foreman's stand-up steel

Die handling devices

Equipment (other than Furniture and appliances) peculiar to hospital, restaurant, laundry and recreation areas

Equipment and Fixtures of an Acc 2 nature when installed for specific use of employee service organizations (restaurant, hospital, etc.) occupying areas not permanently assigned for employee service purpose (e.g. unit heaters, exhausts, fresh air supply units, air conditioners, partitions of fireproof building construction, and permanently affixed floor coverings

Exhausts directly associated with Acc 7 facilities (e.g. steam tables in restaurant)

Fans, electric including those installed in office

Fire hose, carts and racks (excludes nozzles)

Fire extinguishers (ten gallon or more capacity or mounted on wheels and Fire extinguishers of 15 pounds and over)

Floor coverings (cork and linoleum)

Frame, printing

Gongs, Fire alarm (excludes those part of a sprinkler alarm system)

Gummed tape machines used in the shop (motor driven)

Heaters, electric (excludes those used for manufacturing, when attached to wall or ceiling)

Humidors (those used in connection with manufacturing)

Ladders (except step and file)

Lamp, arc, microscope

Lawn mowers (Motor driven or those mounted in a gang)

Lawn rollers

Lights, portable or fixed (rack and bench)

Lights, (special) portable or fixed (rack and bench)

Lumber bunks (wooden)

Magnifiers of low power and fixed focused in assembly operations, which are bench mounted

Monorails

Motorcycles (in watch and fire service organization)

Motorscooter

Oxygen or compressed air breathing apparatus (Self-Contained)

Partitions

Pipe railing, guard rails around machinery angle iron along aisles

Plates, loading and dockboards, metal

Plow, snow
Polishing and scrubbing machines (floor)
Pumps, mounted on gasoline tractors
Racks, stock, pipe, tool, special metal (including trolley ladders attached to racks and drawers built into racks and excluding lacquering, painting or plating racks)
Revolvers
Rewind & Splicer, film
Scaffolding
Scales, portable (excludes spring balances, analytical, wheel or knife balancing, glass enclosed, dormant, track and automobile truck)
Shades, window (incl. venetian blinds)
Shelters, Watchman's portable intact
Shelves, installed
Signs, electric (excludes advertising signs)
Sinks, Laboratory
Stoves, (excludes electric and gas heaters under 12" x 18", and ovens and furnaces used in manufacturing processes)
Tanks, (ice water, etc.)
Telephone secretarial wiring plan
Tension reels for semi-automatic winding machines
Thermostatic mixing valve
Tool chest
Tractors
Trailers
Trimmer, print
Truck, dragline conveyor
Trucks, cable core, electric (including original storage battery and original supply of standby batteries), hand, gasoline, lift or motor
Vacuum sweepers and cleaners (portable)
Vending machines
Ventilators (removable)
Wagons
Wheeldex (excluding portable desk type)
Wiring from outlet to benches and racks (incl. equipment such as transformers, etc., on such lines) and wiring from main feed wire of electric clock systems to time recorder

2. DATA HANDLING EQUIPMENT, EXCEPT COMPUTERS

Accounting machines
Addressing machines
Calculating machines
Cameras, except those used in the shop in connection with manufacturing processes
Cash registers
Check signing machines
Check writers
Coin paying and change making machines
Coin sorting, counting and wrapping machines
Collators, Mechanical
Comptometers

Data Collecting System
Dictating machines
Duplicators (multilith, mimeographs, Xerox copier, ditto, photocopying, micro-photographic machines for reproducing records other than tracings and drawings, etc.) in office departments
Gummed tape machines (office) (motor driven)
Letter opening and sealing machines
Minicalculators - durable quality units (excludes expense type units)
Motors (office appliances)
Paper perforating machines (motor or treadle driven)
Projectors, motion picture (excludes those used for recreational purposes or manufacturing processes)
Readers, Microfilm
Recorders (tape, wire, etc.)
Scales, mail
Teletype equipment
Ticket issuing machines
Time recorders
Time stamps
Transcribing machines
Typewriters

3. INFORMATION SYSTEMS PERIPHERAL EQUIPMENT

Card sorters
Collators
Disc packs
Key punch machines
Paper tape equipment
Panel boards and wires
Plotters
Tabulating machines
Tape cleaners
Verifiers